

SMPG –

SRD II Task Force –

General Meetings

March 18, 2019

**With review notes of Christine, Mari and Jacques up to March 12, 2019**

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**List of participants to the task force**

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# Objectives of the SRD II task force

The objective of the SRD II task force is to review the tables in the Annex to the implementing regulation (<https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1546244107743&uri=CELEX:32018R1212>) and identify:

* any new ISO 20022 message required, and
* any change request to existing messages.

# General Meetings – meeting notice – table 3

Table 3 was reviewed against the Meeting Notification message – **seev.001**. The elements contained in the table have been mapped as follows:

* 1. Specification of the message
     1. field one – unique identifier of the event – meeting identification, intended as *MtgId* or *IssrMtgId*, if available;
     2. field two – type of message –
        + MeetingNotification (seev.001) to be used for a meeting announcement and its updates/amendments using *Amdmnt* and *PrvsRef*
        + MeetingCancellation (seev.002) to be used for cancellation
  2. Specification of the issuer
     1. field one – ISIN – *FinancialInstrumentIdentification (FinInstrmId)*
     2. field two – name of issuer – *Issuer (Issr)*

It was agreed to create a market practice to recommend sending a message per ISIN, in line to what we currently do for CA

* 1. Specification of the meeting
     1. field one – date of the general meeting – *MeetingDetails (MtgDtls) DateAndTime (DtAndTm)*
     2. field two – time of the general meeting – *MeetingDetails (MtgDtls) DateAndTime (DtAndTm)*
     3. field three – type of general meeting – *Meeting Type (Tp)*
     4. field four – location of the general meeting –(including URL if a virtual meeting) – *Location (Lctn)* – **Change request** needed to include a URL option
        + **Adding a URL in section 5.4 – non repeatable and optional**
     5. field five – record date – *EntitlementFixingDate (EntitlmntFxgDt)*
     6. field six – URL (intended as the website where all meeting details can be found) – *AdditionalDocumentationURLAddress (AddtlDcmnttnURLAddr)*
  2. Participation in the general meeting
     1. field one – method of participation (intended as VI = virtual participation, PH = participation in person, PX = participation through proxy and EV = voting by correspondence) – **Change request** needed to include all options
        + **after 4.8, optional and repeatable with all values + the value “Participating in person but not voting” + others ? see TF feedback**
        + **Remove 4.11 AttendanceConfirmationSTPDeadline Because misleading and avoid having different deadlines for STP and non-STP and same for 11.5 VoteSTPDeadline + 11.19** RevocabilitySTPDeadline + 11.32 VoteWithPremiumSTPDeadline+ SecuritiesBlockingSTPDeadline + 12.7 RegistrationSecuritiesSTPDeadline + 12.10 RegistrationParticipationSTPDeadline
     2. field two – issuer deadline for the notification of participation – *AttendanceConfirmationMarketDeadline (AttndncConfMkDdln)*
     3. field three – issuer deadline for voting (per method of Attendance/participation) – **Change request** needed to include a deadline (including response deadline) for all options

*Design for a, b, c items above*

*Attendance (0..n)*

*- Attendance Method (1..1) – 5 code values and proprietary*

*- IssuerDeadlineForVoting(0..1)*

*- Attendance/Participation Confirmation Deadline (0..1)*

*- Attendance/Participation Confirmation Market Deadline (0..1)*

* 1. Agenda
     1. field one – unique identifier of the agenda item – *IssuerLabel (IssrLabl)*
     2. field two – title of the agenda item – *Title (Titl)*
     3. field three – URL of the material – **Change request** needed to include a URL for the material
        + **add new item 10.11 optional**
        + **Make SubmittedBySecurityHolder optional or remove it ?**
     4. field four – vote (intended as BV = binding vote or AV = advisory vote) – **Change request** needed
        + **Add new field after the “ForInformationOnly” element + add a rule on the usage combined with “ForInformationOnly”.**
     5. field five – alternative voting options – intended as VF = vote in favour, VA = vote against, AB = abstention, BL = blank or OT = other) – *VoteInstructionType (VoteInstrTp).* Codes for VF, VA and AB are available: CFOR, CAGS, ABST. Clarifications are needed on BL and OT
        + - **New code Blank – “vote cast as empty” (i.e. but vote is counted)**
          - **Change definition of NOAC (i.e. you do not vote)**
          - **New code “other” – to be used with a narrative to specify the type of vote + narative**
* **Add a new optional element in “Resolution” sequence to have the required number of votes in favor (per resolution per quantity or percentage) to have the resolution approved**
  1. Specification of the deadline regarding the exercise of other shareholders rights
     1. field one – object of the deadline – ?? – clarification needed from EC
     2. field two – issuer deadline – ?? – clarification needed from EC

**All F is in AdditionalProcedureDetails. We do not need anymore element for that**

**Other Changes in the seev.001**

* **Type and Classification of meetings ? Shall we keep 2 or align with MT ?**
* **Remove Entitlements in EntitlementSpecification because redundant/duplicate with the one in Resolution sequence.**
* **Remove VoteInstructionType from Vote redundant with the one in resolution**
* **Move all the remaining contents of Entitlement in Meeting (no more Entitlement).**
* **Remove VoteMethod – Useless ???? Jacques asks DTCC and Jasdec if they use it.**
* **Replace Amendment by Function (Type of Message) like in Seev.O31**
* **Add Linkages in Notification to other meetingId and IssuerMeeting Id**

# Proxy voting – confirmation of entitlement – table 4

We reviewed table 4 against the existing message (***seev.003*** *– MeetingEntitlementNotification*).

Although the existing message has been designed to be used both down and up the chain, it’s unclear how the entitlement confirmation should be sent up the chain, especially in light of what stated in article 5.1 of the implementing regulation:

[..] *Where there is more than one intermediary in the chain of intermediaries, the last intermediary shall ensure that the entitled positions in its records are reconciled with those of the first intermediary.*

*Such confirmation by the last intermediary to the shareholder shall not be required, if the entitled position is known by or will be transmitted to the issuer or the first intermediary, as applicable.*

Also, if the message is due up the chain, it’s unclear which confirmation (if any) we need to consider receiving back.

The elements contained in the table have been provisionally mapped as follows:

1. Specification of the general meeting and the message
2. field one – unique identifier of the confirmation – *SEME (located in the BAH in ISO 20022);*
3. field two – name of the issuer –

**Change request** – Copy “Issuer” from Notification and insert it before Security

1. field three – unique identifier of the event – *MeetingIdentification (MtgId)* or *IssuerMeetingIdentification (IssrMtgId)* where available
2. field four – type of message –

* **Add NEWM & Replace function (Type of Message) in message like in Seev.O31 instead of “Related Reference” at the beginning of the message**

1. field five – ISIN – *FinancialInstrumentIdentification (FinInstrmId)*
2. Specification of the entitled position in shares
   1. field one – record date – *EntitlementFixingDate (EntitlmntFxgDt)*
   2. field two – entitled position – *Position (Pos)*
   3. field three – number of the securities account – *AccountIdentification (AcctId)*
   4. field four – name of the account holder – *AccountOwner (AcctOwnr)*
3. Specification about the shareholder, legal or natural person, as the case may be
   1. field one – name of shareholder as per table 2 field C2(a) or C2(b) – *RightsHolder (RghtHldr)* – **Change request** needed to add the options identified in the shareholder identification response message
   2. field two – unique identifier of shareholder in case of a legal person – as per table 2 field C 1(a) or C 1(b) – *RightsHolder (RghtHldr)* – **Change request** needed to add the LEI, proprietary code and BIC and the other options identified in the shareholder identification response message
   3. field three – name of proxy or other third party nominated by the shareholder – if populated it needs to comply with table 2 field C2(a) or C2(b) – **Change request** needed to add *MeetingAttendee* and *Proxy* to include the name of the proxy or third party using the options identified in the shareholder identification response message
   4. field four – unique identifier of proxy or other party nominated by the shareholder – if populated, it should comply with as per table 2 field C 1(a) or (b) – **Change request** needed to add *MeetingAttendee* and *Proxy* to include LEI, proprietary code and BIC and the other options identified in the shareholder identification response message

Other Changes

* **Add NEWM & Replace function (Type of Message) in message like in Seev.O31 instead of Related Reference**

# Proxy voting – notice of participation – table 5

Table 5 was reviewed against the Meeting Instruction message – **seev.004**. The elements contained in the table have been mapped as follows:

1. Specification of the notice
2. field one – unique identifier of the notice of participation – *SEME (located in the BAH in ISO 20022);*
3. field two – type of message – *function of the message* – if a cancellation, the dedicated cancellation message (seev.005) should be used
4. field three – unique identifier of the event – *MeetingIdentification (MtgId)* or *IssuerMeetingIdentification (IssrMtgId)* where available
5. field four – ISIN – *FinancialInstrumentIdentification (FinInstrmId)*
6. Participation to be specified for each method of participation
7. field one – method of participation – if multiple methods are deployed, each shall be specified (methods, as per table 3, are: VI = virtual participation, PH = participation in person, PX = participation through proxy and EV = voting by correspondence). **Change request** needed to amend the existing ***ParticipationRegistration*** indicator. Currently, it’s a Y or N indicator and we should change it to meet one of the codes we will create in the change request defined in the mapping of table3. A rule should also be in place that field four and five below are only available for PX and EV
   * + - **Re-use Attendance Method and see overlap with participation ?**
8. field two – name of shareholder as per table 2 field C2(a) or C2(b) – *MeetingAttendee (MtgAttndee)* – **Change request** needed to add the options identified in the shareholder identification response message and rename MeetingAttendee as **Shareholder**
9. field three (a) – unique identifier of shareholder in case of a legal person – as per table 2 field C 1(a) – *MeetingAttendee (MtgAttndee)* – **Change request** needed to add the LEI, proprietary code and BIC
10. field three (b) – unique identifier of shareholder in case of a natural person – as per table 2 field C 1(b) – **Change request** needed to add the options identified in the shareholder identification response message
11. field four – name of proxy or other third party nominated by the shareholder – if populated it needs to comply with table 2 field C2(a) or C2(b) – **Change request** needed to:
    * amend the *MeetingAttendee* to include the name of the proxy or third party using the options identified in the shareholder identification response message
    * amend *Proxy* to include the name of the proxy or third party using the options identified in the shareholder identification response message
12. field five – unique identifier of proxy or other party nominated by the shareholder – if populated, it should comply with as per table 2 field C 1(a) or (b) – **Change request** needed to:
    * amend the *MeetingAttendee* to include the LEI, name of the proxy or third party using the options identified in the shareholder identification response message
    * amend *Proxy* to include the name of the proxy or third party using the options identified in the shareholder identification response message
13. Specification of the meeting
14. field one – unique identifier of the agenda item – *VoteInstructionForAgendaResolution – Issuer Label (IssrLabl)*
15. field two – voting position as per table 3 E5 (e.g. VF = vote in favour, VA = vote against, AB = abstention, BL = blank or OT = other) – *VoteInstructionForAgendaResolution.* Codes for VF, VA and AB are available: *For, Angst, Abstn.* Clarifications are needed on BL and OT
    * + - **Blank = “Withheld” – disagree but not enough to vote against equals**
        - **Other: cannot figure out what is meant by that – any real examples in the markets ?? (ask eventually to the commission)**
16. field three – number of shares voted – *VoteInstructionForAgendaResolution (using above quantities)*

A review of message *seev.005 – MeetingInstructionCancellationRequest* is still to be carried out.

# Proxy voting – voting receipt – table 6

Table 6 was mapped to the existing general meetings messages. It was agreed that the best message to match the content of this table is ***seev.006*** *– MeetingInstructionStatus*.

Based on article 9(5): “*the confirmation of the receipt of votes cast electronically as provided for in article 7(1) shall be provided to the person that cast the vote immediately after the cast of the votes*” and the content of table 6, it seems intermediaries are to issue:

* an instruction confirmation message (seev.006 – MeetingInstructionStatus) upon receipt of their clients’ instruction to simply confirm receipt
* an instruction confirmation message (seev.006 – MeetingInstructionStatus) upon receipt of a confirmation from the issuer/the intermediary up the chain to confirm the vote has been cast

This interpretation is to be clarified as part of our questions to the European Commissions. This may lead to the creation of a new Processing Status code like “Vote Cast”.

The elements contained in table 6 have been mapped as follows:

1. field one – unique identifier of the notice of participation – *SEME (located in the BAH in ISO 20022);*
2. field two – type of message – it’s unclear what is meant with the type of confirmation. It seems to imply that several messages are to be sent to confirm the status of the vote

**~~Proposal to create a new InstructionCancellationStatusAdvice instead of having the “Type of Message”~~**

**Nothing to be created – the type is indicated in the status itself. Used already today for status or cancellation status.**

1. field three – unique identifier of the event – *MeetingIdentification (MtgId)* or *IssuerMeetingIdentification (IssrMtgId)* where available
2. field four – ISIN – *FinancialInstrumentIdentification (FinInstrmId)*
3. field five – date of the general meeting – *MeetingDateAndTime (MtgDtAndTm)*
4. field six – name of the issuer – **Change request** needed to add it
5. field seven – name of the confirming party – **Change request** needed to add it as a PARTY element, possibly as issuer agent/registrar
6. field eight – name of the person that casted the vote – **Change request** needed to add it as a PARTY element, possibly as CSD/custodian
7. field nine – name of the shareholder – **Change request** needed to add it as a NAME element to be able to record both an **LEI** or a name (name and surname) as per the shareholder disclosure response message
   * + - **Add all formats**

**Statuses**

**PACK: do not change meaning**

**New Status: “Accepted and sent along the chain”**

**RCIS: Instruction has been received by Issuer.** (MP: to be used for **article 7.1 of directive)**

**COMP & NOIN – Remove**

# Proxy voting – confirmation of the recording and counting of votes – table 7

Table 7 was mapped to ***seev.007*** *– MeetingVoteExecutionConfirmation message*.

The elements contained in table 7 have been mapped as follows:

1. field one – unique identifier of the notice of participation – *SEME (located in the BAH in ISO 20022);*
2. field two – type of message – it’s unclear what is meant with the type of confirmation. It seems to imply that several messages are to be sent to confirm the status of the vote – possibly, they expect the same message to be used for table 6 and table 7 but sent at different points in time. To be further discussed with the EC.
   * + - **Change only the scope/usage of the message to specify that this message originated by the issuer as a confirmation of the vote execution and forwarded by the intermediaries.**
3. field three – unique identifier of the event – *MeetingIdentification (MtgId)* or *IssuerMeetingIdentification (IssrMtgId)* where available
4. field four – ISIN – *FinancialInstrumentIdentification (FinInstrmId)*
5. field five – date of the general meeting – *MeetingDateAndTime (MtgDtAndTm)*
6. field six – name of the issuer – **Change request** needed to add it in the SupplementaryData **(see previous message)**
7. field seven – name of shareholder – *RightsHolder (RghtsHldr)*
8. field eight – name of the third party nominated by the shareholder – **Change request** needed to add it as a PARTY element **(see previous message)**
9. field nine – modality – **Change request** needed to add this element to the message

**New Codes for Modality:**

* **Paper vote, ahead of the meeting**
* **Electronic, ahead of the meeting**
* **Electronic, at the meeting**
* **Physical, at the meeting**
* **?**

1. field ten – date and time of receipt – **Change request** needed to add this element to the message
2. field eleven – unique identifier of votes – *RelatedReference (RltdRef)*